Beansprout

CNMC Goldmine Holdings

(SGX: 5TP)

Strong 1H26 results, led by higher gold prices

- **CNMC Goldmine reported a strong set of results for 1H2026.** Revenue surged 23.4% year-on-year to US$65.2 million, due to higher average realised prices of gold and silver in lead concentrate. The average realised gold price increased 40% to US$4,486 per ounce, from US$3,197 per ounce in 1H2025. This more than offset a 6% decline in fine gold sales volume to 11,105 ounces, which was mainly due to lower ore grades from open-pit mining. Profit after tax rose 18.7% year-on-year to US$23.1 million.
- **Strong balance sheet provides financial flexibility.** Cash and cash equivalents stood at US$65.2 million as at 30 June 2026, compared with US$64.2 million as at 31 December 2025. The Group had approximately US$2.4 million of loans and borrowings, resulting in net cash of US$62.87 million. Equity attributable to shareholders increased to US$88.5 million from US$81.1 million at end-2025.
- **Sokor project provides the next leg of growth.** CNMC is developing two new vertical underground shafts at the Sokor project, on track for completion in 2027. Underground ore is expected to carry grades above 2g/t. The expanded CIL plant has processing capacity of approximately 800 tonnes per day, or around 300,000 tonnes per year.
- **Exploration continues to replenish resources.** As of 31 December 2025, CNMC reported a Mineral Resource estimate of 1,195,000 ounces of gold (1,157,000 oz from CIL processing and 38,000 oz from flotation). Importantly, Ore Reserves saw a 9% year-on-year increase in contained gold. This uplift extends mine life and underpins long-term production.
- **2.0 cents interim dividend.** CNMC declared a total interim dividend of 2.0 Singapore cents, comprising a 0.4 cent interim dividend and a 1.6 cent special dividend. This represents 34% of 1H2026 earnings. At S$1.56, the 2.0 cent interim dividend translates into a trailing twelve month Dividend per share of 5.5 cents and trailing twelve month dividend yield of 3.5%.
- **Valuation.** On twelve month trailing EPS of Singapore cents 14.24, CNMC is trading at around 11x trailing PE based on reported earnings (closing price S$1.56 on 21 August 2026). CNMC will be transferred from Catalist to the Main Board of the SGX-ST on 28 August 2026.
- **Income Pot checks.** CNMC passes 4 out of the 5 checks of the Income Pot framework. The key valuation driver remains the sustainability of elevated gold prices and ability to convert its resource base into higher production.
- **Key Risks:** CNMC's key risks lie in its exposure to volatile gold prices and commodity cycles, which directly affect earnings and dividends. In addition, rising operating costs, geological uncertainties, and regulatory changes in Malaysia could weigh on profitability and production sustainability.

Ticker	5TP
Rating	Not Rated
Price	S$1.53
52-week range	S$0.61 – 2.12
Market Cap	S$624M

*As of 25 August 2026

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1H26 profit rises as higher gold prices offset lower production

CNMC Goldmine reported a strong set of results for 1H2026.

Revenue surged 23.4% year-on-year to US$65.2 million, driven by higher realised gold prices and stronger pricing for silver in lead concentrate.

The average realised gold price increased 40% to US$4,486 per ounce, from US$3,197 per ounce in 1H2025.

This more than offset a 6% decline in production to 11,105 ounces, which was mainly due to lower ore grades from open-pit mining.

Profit after tax rose 18.7% year-on-year to US$23.1 million.

Due to higher operating costs, net margin narrowed to 35.4%, from 36.8% in 1H2025.

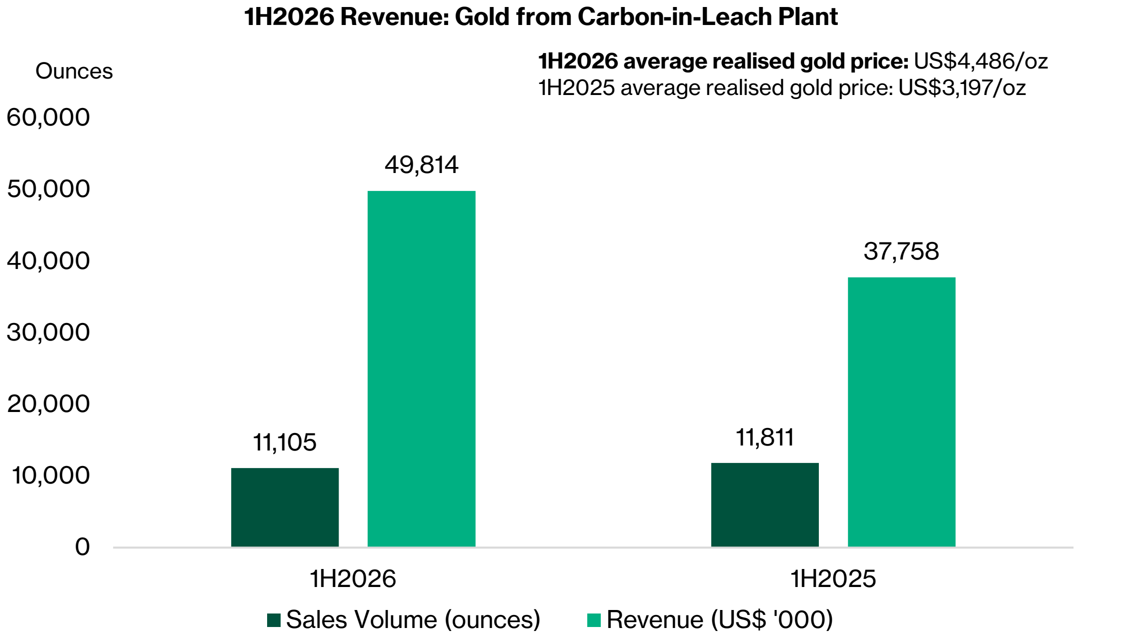
Earnings per share climbed to 5.85 SG cents, up from 5.18 SG cents in 1H2025.

Figure 1: CNMC Goldmine 1H26 Financial highlights

Income Statement	1H2026	1H2025	Change
Revenue (USD mil)	65.16	52.80	23.4%
Profit after tax (USD mil)	23.06	19.42	18.7%
Profit attributable to shareholders (USD mil)	18.57	15.76	17.8%
Net profit margin (%)	35.4	36.8	-1.4
Earnings per share (US cents)	4.58	3.89	17.7%
Earnings per share (SG cents)	5.85	5.18	12.9%
Summary Financial Ratios			
Net Asset Value: US$88.53m	**Current Ratio:** 4.12	**Debt/Equity Ratio:** 0.03	**Net Cash:** US$62.87m

Source: CNMC 1H26 results presentation

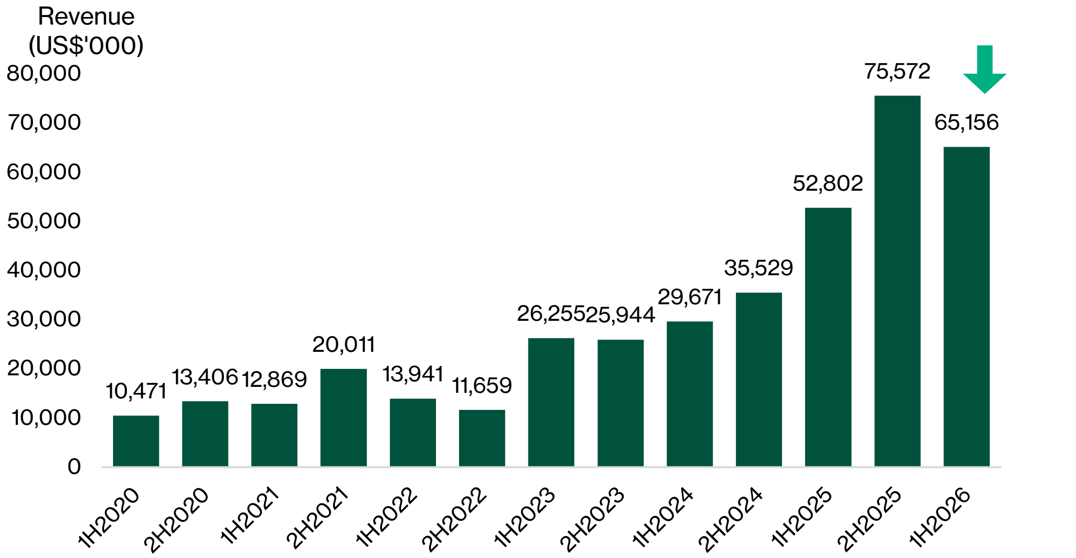
Figure 2: 1H26 gold revenue and sales volume



Source: CNMC 1H26 results presentation

1H26 revenue increased 24% YoY to US$65.2m

Figure 3: Half-yearly revenue since 1H2021



**Includes revenue from sales of lead and zinc concentrates w.e.f 2023*
Source: Company Data

Revenue from gold rose 31% year-on-year to US$49.4m, supported by a 40% increase in the average gold selling price to US$4,486/oz. This was partly offset by a 6% decline in gold production.

Revenue from gold in lead concentrate increased 7% year-on-year to US$7.2m, as the 42% increase in realised price more than offset a 25% decline in volume.

Copper revenue also rose 46% year-on-year to US$5.1m, driven by a sharp 118% increase in realised prices despite a 34% decline in volume. Revenue from lead and zinc concentrate declined 31% year-on-year and 5% year-on-year respectively, mainly due to lower sales volumes.

Figure 4: CNMC Goldmine 1H26 revenue breakdown

1H2026 Revenue Breakdown

	UOM	1H2026			1H2025			Movement		
		Revenue US$'000	Volume UOM	Price US$/UOM	Revenue US$'000	Volume UOM	Price US$/UOM	Revenue	Volume	Price
Gold	oz	49,367	11,104.63	4,446	37,758	11,811.48	3,197	31%	-6%	39%
Lead in lead concentrate	t	1,572	1,072.20	1,466	2,263	1,581.64	1,431	-31%	-32%	2%
Gold in lead concentrate	oz	7,205	1,966.86	3,663	6,753	2,614.54	2,583	7%	-25%	42%
Silver in lead concentrate	oz	5,146	106,672.96	48	3,520	162,417.45	22	46%	-34%	118%
Zinc concentrate	t	2,382	1,128.09	2,112	2,508	1,612.67	1,555	-5%	-30%	36%
		65,672			52,802					
Gold equivalent ounces[1]		65,672	14,771.03	4,446	52,802	16,516.11	3,197	24%	-11%	39%

UOM: Unit of Measurement
T: Tonnes
Oz: Ounces

1 Gold Equivalent Ounces ("GEO") are based on the price assumption by referencing the average realised gold price during the period.
GEO formula = "Total Revenue" divided by "realised average selling price for gold"

Source: CNMC 1H26 results presentation

1H26 profit growth slows due to higher operating costs

Profit attributable to shareholders rose at a slower pace, at 17.8% year-on-year to US$18.6 million as net profit margin fell 1.4 percentage points to 35.4%.

The slower earnings growth reflected higher all-in costs from gold mining activities.

Despite the increase in revenue, net profit margin declined by 1.4 percentage points to 35.4%.

This reflected higher mining-related costs, royalty and tribute expenses, site and factory expenses, as well as employee costs associated with the expansion of underground mining operations.

The Group's adjusted operating cost increased 52.7% year-on-year to US$1,634 per ounce, while all-in sustaining cost rose 38.7% year-on-year to US$1,855 per ounce.

Including non-sustaining expenditure related to the new underground facilities, all-in cost increased 46.2% to US$2,056 per ounce.

Importantly, the increase in all-in cost was partly investment-related. CNMC includes the cost of developing new production facilities in its all-in cost measure, providing a more conservative view of the cash cost required to expand production.

Figure 5: CNMC Goldmine 1H26 all-in costs

Analysis of All-In Costs for Carbon-in-Leach Gold Production

	US$/gold ounce sold		
	1H2026	**1H2025**	**Change (%)**
Sale volume of fine gold (ounces)	11,105	11,811	(6.0)
Mining related costs	950	645	47.3
Royalty and tribute expenses	684	425	60.9
Adjusted operating costs	1,634	1,070	52.7
General and administrative costs	213	178	19.7
Capital expenditure	8	89	(91)
All-in sustaining costs	1,855	1,337	38.7
Capital exploration (non-sustaining)	75	25	200
Capital expenditure (non-sustaining)	126	44	186.4
All-in costs	**2,056**	**1,406**	**46.2**

Note: Above measures prepared in accordance with World Gold Council guidelines

Source: CNMC 1H26 results presentation

Strong balance sheet provides financial flexibility

Figure 6: CNMC Goldmine 1H26 balance sheet highlights

As of end of period, US$ '000	30 Jun 2026	31 Dec 2025	*change*
Cash and cash equivalents	65,239	64,184	1.6%
Total debt	2,369	1,629	45.4%
Total equity attributable to owners of the company	88,532	81,147	9.1%
No. of shares issued, '000	407,693	407,693	-
Net asset value per share, SG cents	28.25	25.71	9.9%
Total debt/ total equity, x	0.03	0.02	+0.01
Net debt/ total equity, x	Net cash	Net cash	-

Source: CNMC 1H26 results presentation

CNMC maintained a strong balance sheet at the end of 1H2026.

Cash and cash equivalents stood at US$65.2 million as at 30 June 2026, compared with US$64.2 million as at 31 December 2025.

The Group had approximately US$2.4 million of loans and borrowings, resulting in net cash of US$62.87 million.

Equity attributable to shareholders increased to US$88.5 million from US$81.1 million at end-2025.

Operating cash flow remained positive at US$20.0 million, although this was lower than US$25.1 million in 1H2025. The decline was mainly due to higher tax payments, including an upfront payment relating to the ongoing tax dispute.

Investing cash outflow was modest at US$2.8 million, while financing cash outflow of US$14.7 million was primarily due to dividends.

The balance sheet provides CNMC with sufficient internal funding for the underground expansion without relying on external debt.

Management indicated that cash reserves are managed with a three-to-five-year planning horizon to accommodate exploration, potential acquisitions and future plant expansion.

Figure 7: CNMC Goldmine 1H26 key cash flow items

As of end of period, US$ '000	1H 2026	1H 2025	*change*
Cash flows from operations	19,951	25,097	-20.5%
Cash flows from investing	-2,761	-3,519	21.5%
Cash flows from financing	-14,663	-4,289	-
Capex	-1,069	-2,717	-60.7%
Operating free cash flow	18,882	22,380	-15.6%
Net increase in cash	2,527	17,288	-85.4%

Source: CNMC 1H26 results presentation

Sokor project provides the next leg of growth

CNMC's flagship Sokor Gold Field Project in Kelantan, Malaysia, remains the cornerstone of growth. Covering an extensive 10 sq km area with five identified deposits, Sokor has seen steady production growth since its first gold pour in 2010.

CNMC is developing two new vertical underground shafts at the Sokor project.

Shaft 1 at the New Found deposit is designed to reach 358 metres, while Shaft 2 at Manson Road is designed to reach 335 metres.

Both shafts are currently on track for completion in 2027, with total investment of approximately US$12 million.

The key attraction is access to higher-grade underground ore. Management indicated that underground ore is expected to carry grades above 2g/t, compared with the lower grades currently being processed from open-pit operations.

Once the shafts are operational, CNMC expects to increase the proportion of underground ore blended into the CIL plant, supporting higher overall gold output.

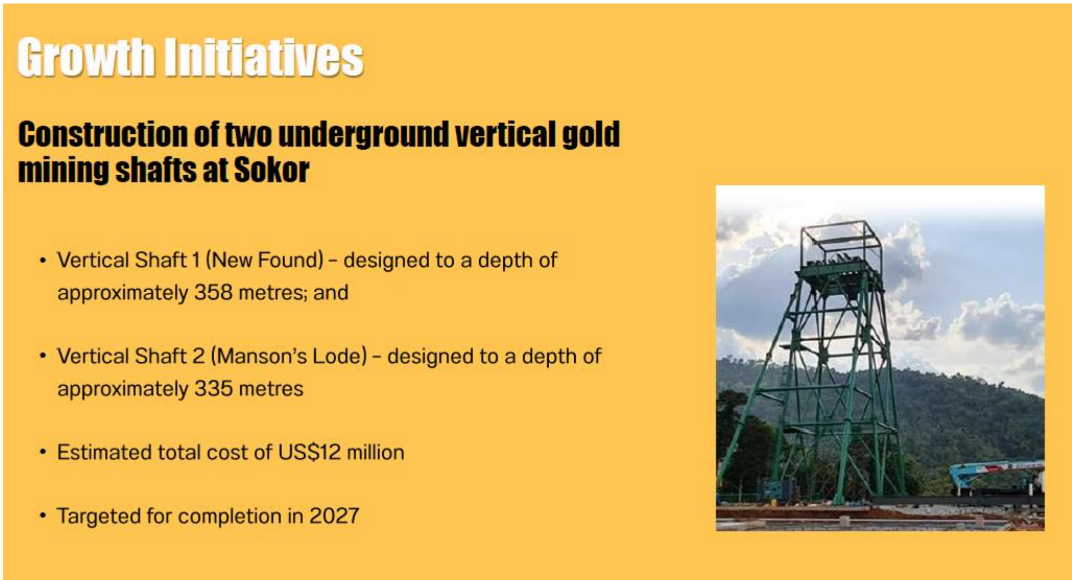
This is important because 1H2026 demonstrated that earnings can remain resilient despite lower production when gold prices are strong.

However, production growth from higher-grade underground ore would provide an additional earnings lever and reduce reliance on commodity price appreciation.

The expanded CIL plant has processing capacity of approximately 800 tonnes per day, or around 300,000 tonnes per year.

Management indicated that more than 20 million tonnes of rock containing approximately 1.2 million ounces of gold are present within the Sokor concession, providing sufficient ore to sustain processing through the 2034 lease renewal.

Figure 8: Two underground vertical gold mining shafts to be completed in 2027



Source: CNMC 1H26 results presentation

PLEASE SEE ANALYST CERTIFICATION(S) AND IMPORTANT DISCLOSURES BEGINNING IN APPENDIX.

Exploration continues to replenish resources

CNMC's exploration programme provides additional long-term support for the Sokor operation.

The Group therefore has two potential sources of longer-term growth: higher-grade underground production from the existing resource base and continued resource replacement through exploration.

As of 31 December 2025, CNMC reported a Mineral Resource estimate of 1,195,000 ounces of gold (1,157,000 oz from CIL processing and 38,000 oz from flotation).

Silver resources declined to 5.105 million ounces, down 14.5% year-on-year.

Lead resources stood at 59,592 tonnes, down 15.6% year-on-year.

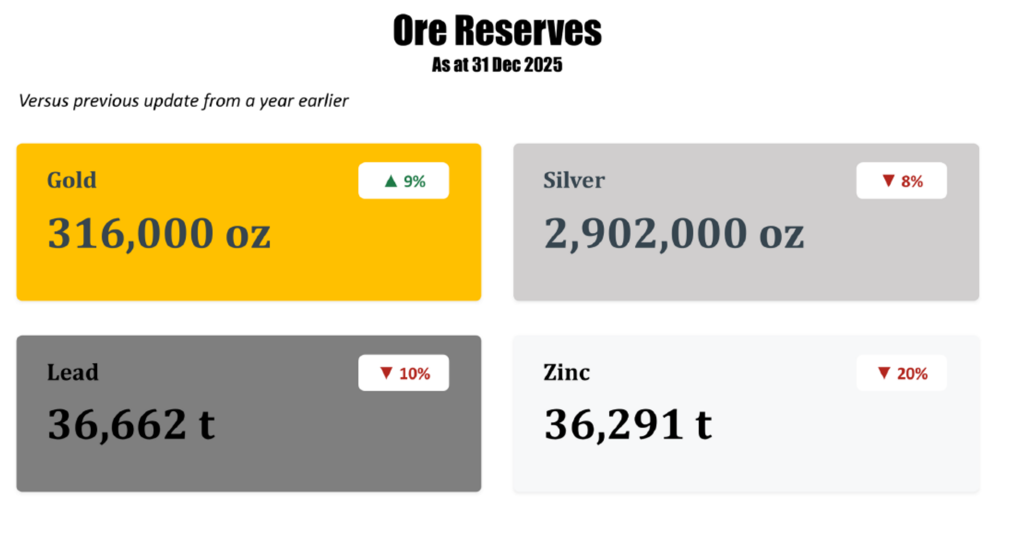
Zinc resources stood at 62,316 tonnes, down 23.4% year-on-year.

Importantly, Ore Reserves saw a 9% year-on-year increase in contained gold, reflecting upgraded confidence in geological models and exploration success. This uplift extends mine life and underpins long-term production.

Figure 9: CNMC Goldmine mineral resources as at 31 Dec 2025

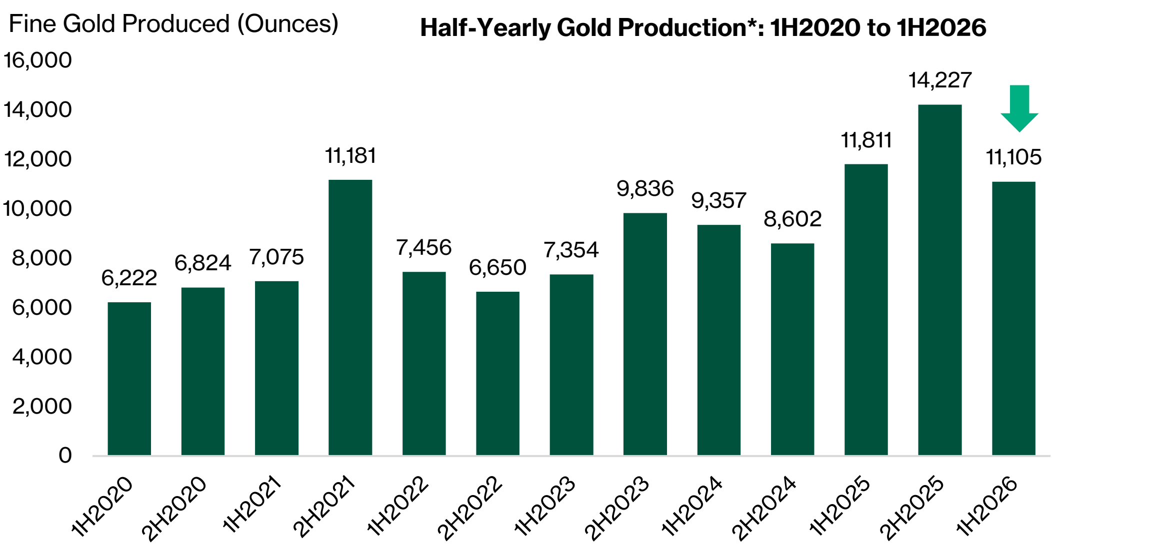
Source: CNMC 1H26 results presentation

Figure 10: CNMC Goldmine ore reserves as at 31 Dec 2025



Source: CNMC 1H26 results presentation

Figure 11: 1H26 fine gold production fell 6% year-on-year



**Excludes gold produced from flotation plant*
Source: Company Data

2.0 cents interim dividend

CNMC declared a total interim dividend of 2.0 Singapore cents per share, comprising a 0.4 cent interim dividend and a 1.6 cent special dividend.

The total payout increased from 1.5 cents in 1H2025 and represents 34% of 1H2026 earnings. The dividend is tax exempt and will be paid on 11 September 2026.

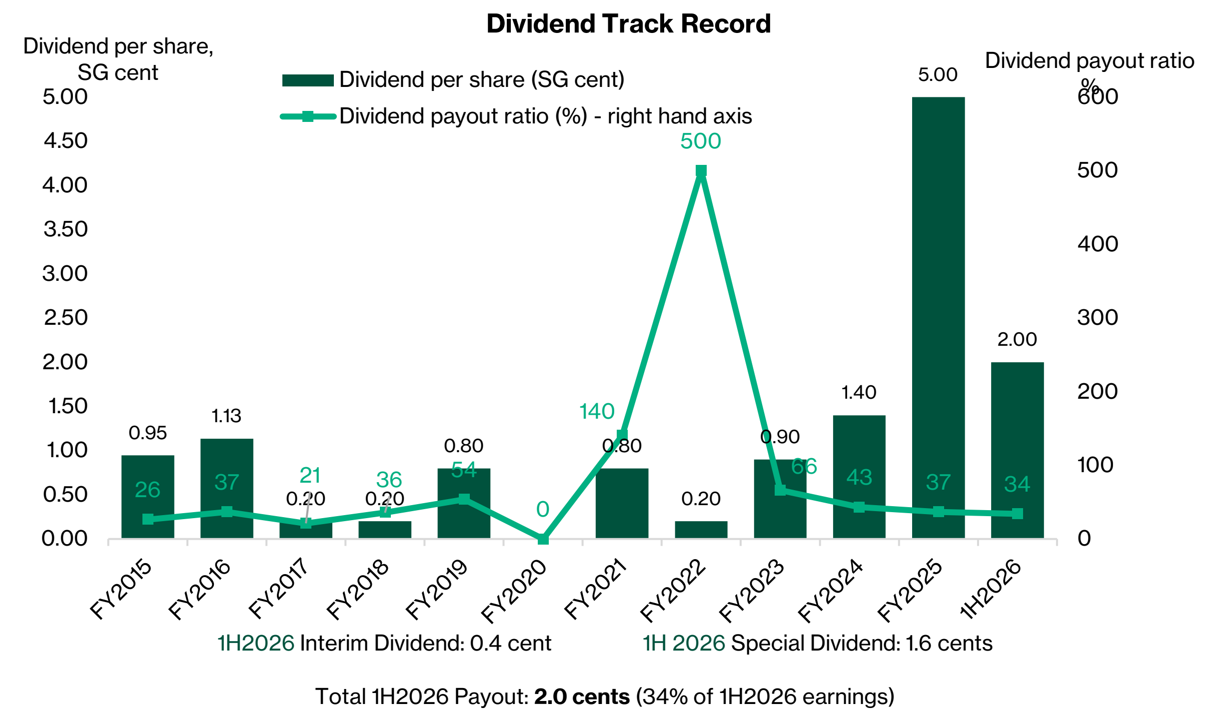
CNMC has maintained a track record of paying dividends, with the exception of 2020 during the COVID-19 period. Management reviews its payout semi-annually based on profitability and future capital requirements.

At S$1.56, the 2.0 cent interim dividend translates into a trailing twelve month Dividend per share of 5.5 cents and trailing twelve month dividend yield of 3.5%. We would monitor the final dividend payout, particularly as the underground expansion progresses and capital requirements remain manageable.

Looking at the historical track record, dividends have been somewhat inconsistent, with past payouts ranging from 0.2 cents to 1.4 cents per share. The spike in FY2022 was due to an exceptionally high payout ratio, which has since normalized. The latest special dividend indicates management's willingness to return excess cash to shareholders when earnings allow, supported by a healthy net cash position.

Overall, while CNMC has the financial capacity to support dividends, the payout trend suggests variability depending on profitability and commodity prices. Investors can expect dividends to remain linked to operational performance and gold price cycles, rather than being fixed or predictable.

Figure 12: CNMC Goldmine paid out 34% of 1H26 earnings as dividends



Source: Company Data

Valuation

CNMC shares closed at S$1.56 on 21 August 2026, giving the company a market capitalisation of S$636 million.

On twelve month trailing EPS of Singapore cents 14.24, CNMC is trading at around 11x trailing PE based on reported earnings.

Based on shareholders' equity of US$88.5 million as at 30 June 2026, CNMC's reported book value does not include any valuation uplift for its in-ground mineral resources. Management highlighted that the NAV would be materially higher if the mineral resources underground were valued.

We therefore view reported P/B as less meaningful than for a conventional operating company, given the significant mineral resources that are carried separately from any in-ground valuation.

CNMC will be transferred from Catalist to the Main Board of the SGX-ST on 28 August 2026.

CNMC Goldmine on Beansprout Income Pot framework

We apply Beansprout's five simple checks to screen dividend stocks for our Income Pot, covering fundamental strength, financial health and valuation

Check	CNMC Goldmine
EPS growth – at least 10% over the past three years	✅ Pass — 3-year EPS growth was more than 330x (EPS FY22 0.04 cents, FY25 13.57 cents)
Net debt to equity - below 1.0x	✅ Pass — Net cash as of 30 June 2026 Total debt US$2.37m / Cash US$65.24m. Net cash US$62.9m
Dividend payout ratio – above 40% and sustainable	❌ Fail— 34% for 1H26 FY25 37%
Free operating cash flow is positive	✅ Pass — Free operating cash flow is US$18.9m in 1H26 US$54.5m in FY25
Dividend yield – at least 3.5%	✅ Pass — 1H26 DPS 2.0 cents, translates to trailing twelve month DPS 5.5 cents or dividend yield 3.5% (21 Aug closing price S$1.56) FY25 DPS 5.0 cents, equivalent to dividend yield 3.2%.
Overall	4/5 checks
Source: Beansprout	

CNMC passes the 4 out of 5 checks of the Income Pot framework.

Going forward, we would watch the completion of the two underground shafts in 2027. Higher-grade underground ore should support production growth and potentially improve operating leverage once the initial development costs taper off.

The key valuation driver remains the sustainability of elevated gold prices and CNMC's ability to convert its resource base into higher production. The completion of the new underground shafts in 2027 could provide a further catalyst if higher-grade ore translates into increased production and lower unit costs.

Key Risks

CNMC's earnings are highly sensitive to fluctuations in international gold prices. While prices averaged US$4,486/oz in 1H2026, any pullback towards historical averages could compress margins, especially with all-in costs at ~US$2,056/oz.

Mining operations at Sokor rely on open-pit methods and CIL processing, which can be affected by equipment breakdowns, adverse weather, or safety incidents. Any disruption in production could impact volumes and delay revenue recognition.

While Mineral Resources and Ore Reserves have been upgraded, estimates are based on geological models and assumptions. There is a risk that actual recoverable ore may fall short of expectations, impacting long-term production.

Mining licences in Malaysia are subject to renewal and regulatory oversight. Stricter environmental requirements or changes in government policy could increase costs or constrain operations.

CNMC benefits from sales of silver, lead, and zinc. However, these markets can be volatile and cyclical. A downturn in base metal prices could reduce diversification benefits.

Operating in Malaysia exposes CNMC to foreign exchange risks (USD vs MYR). In addition, rising labour, energy, and royalty costs could push up all-in sustaining costs, squeezing margins if not offset by higher gold prices.

Disclosure Appendix

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